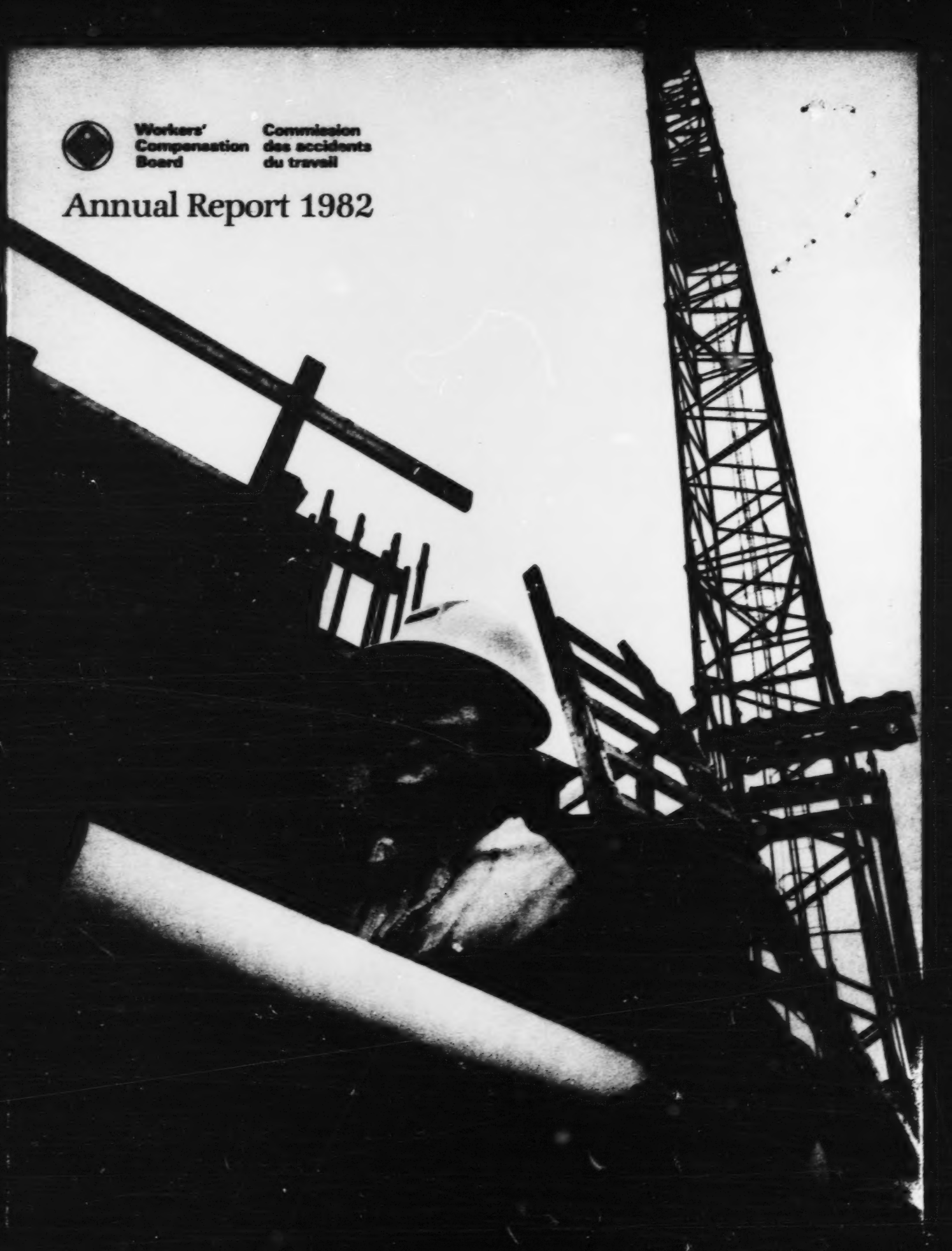
Workers' Compensation Board

Commission des accidents du travail

Annual Report 1982



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...zation are the p...e who make it work. Featured in this ...nual Report are a few of the individuals ... perform key services in our Workers' ...mpensation Board offices province-...de. We are pleased to introduce them ... hope they will provide

Workers' Compensation Board — Summary of Operations

Year Ended December 31, 1982

	1982 ($000's)	1981
Payroll upon which assessment revenue was based	*$40,800,000	*$37,000,000
Incidents reported as work injuries	349,747	415,044
SCHEDULE 1 OF THE ACT		
SCHEDULE 1 BENEFITS PAID AND AWARDED		
Medical aid paid	$ 89,896	$ 85,965
Compensation paid	356,418	288,933
Rehabilitation paid	16,750	13,341
Pensions awarded	230,313	170,055
	$ 693,377	$ 558,294
SILICOSIS BENEFITS		
Medical aid paid	$ 109	$ 95
Compensation paid	46	190
Rehabilitation paid	–	–
Pensions awarded	850	1,473
	$ 1,005	$ 1,758
Total	$ 694,382	$ 560,052
LEGISLATIVE AMENDMENTS	$ 335,000	$ 360,000
Total payments and awards under Schedule 1 of the Act	$ 1,029,382	$ 920,052
SCHEDULE 2 OF THE WORKERS' COMPENSATION ACT AND FEDERAL GOVERNMENT EMPLOYEES COMPENSATION ACT		
SCHEDULE 2 BENEFITS PAID		
Medical aid paid	$ 9,837	$ 9,189
Compensation paid	23,204	18,412
Rehabilitation paid	557	524
Pensions paid	22,027	20,452
	$ 55,625	$ 48,577
Compensation paid directly by Schedule 2 employers	$ 18,821	$ 15,371
Total benefits paid under Schedule 2	$ 74,446	$ 63,948
TOTAL BENEFITS PAID AND AWARDED – SCHEDULES 1 AND 2		
Total awards and payments (exclusive of legislative increase above)	$ 768,828	$ 624,000
Legislative increases	$ 335,000	$ 360,000
Total awards, payments and legislative increases	$ 1,103,828	$ 984,000

*Estimated adjusted payroll

◀ **Elizabeth Mundinger, a registered nurse, was unable to return to work after a serious back injury on the job and receives a permanent disability pension from the Board. With encouragement and financial assistance from the Board, she is now self-employed as an electrologist, working out of the renovated basement of her Newmarket home.**

Message from the Chairman

Lincoln M. Alexander
Chairman

As Chairman of the Workers' Compensation Board of Ontario, I am proud to review the major achievements of this organization in 1982, not the least of which was assuming a new name and embracing a new corporate signature.

The year was one of challenge and promise at the Board. Highlights include the expeditious and successful implementation of benefit level increases, enacted on December 21, 1982 by the Ontario Legislature; reorganization of the Board's large Claims Services Division; our continued success in finding jobs for rehabilitated workers in the midst of a nationwide recession; and the Board's active leadership, through nine provincial safety associations, of occupational health and safety education in the province.

Reorganization of the Claims Services Division was particularly important and was designed to facilitate an ever-speedier process of claims adjudication. As a result of this reorganization, injured workers are now accorded more direct telephone access to claims adjudicators. Claims are now grouped by injury so that most claims will stay with the original adjudicator throughout processing. Research and development of adjudication policies and procedures have been consolidated within the Claims Review Branch.

The spectre of unemployment throughout 1982 haunted the Board's Vocational Rehabilitation Division, as staff worked to find jobs for rehabilitated workers in an attenuated market. Despite a significant increase in the number of new referrals – up 17 per cent from 1981 – and unprecedented levels of unemployment across the nation, division staff were instrumental in rehabilitating 3,482 workers, fully 94 per cent of the number rehabilitated in 1981, which is an important accomplishment.

Following recommendations on the role of the provincial safety associations (in a report by Dr. J.F. Mustard, Chairman of the Minister of Labour's Advisory Committee on Occupational Health and Safety), the Board updated its policy in June, 1982, making it responsible for the direction and control of all occupational health and safety education in the province coming within the scope of The Workers' Compensation Act.

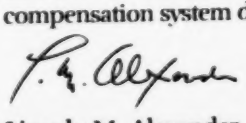
In October, 1982, the Board took a major step towards this goal with the commencement of a two-year program to implement the policy. A new structure uniting the Board and the safety associations, and new practices and procedures will be established, within which the safety associations and the Board can work together to make an even greater contribution to occupational health and safety in the province.

No list of the year's major achievements is complete without mention of the Board's initiatives in providing services in the French language, as well as our endorsement of the new Ontario Human Rights Code.

The Ontario government has declared its intention to provide "steady and balanced programs" of government service in the French language. To this end, the Workers' Compensation Board formed a French language co-ordinating committee, charged with investigating ways to ensure a full range of services in French. In 1982, this group completed a preliminary study of the Board's computer system in order to determine the best way of proceeding, and our operating divisions began examining the impact on their responsibilities.

As a result of the proclamation of the new Ontario Human Rights Code on June 15, 1982, the Board's own Equal Opportunity Program became the Human Rights and Equal Opportunity Program. By applying this Code to existing policies, program staff, among other things, urged changes to the Board's application for employment form. A new employment policy was adopted which states, in part, ". . .all handicapped applicants and employees will be given equal employment opportunities and will not be disqualified provided that the handicap does not prevent the applicant or employee from performing the basic requirements of the job."

These refinements in the operations of your Workers' Compensation Board are mentioned here not just as a record of one year's achievements. Rather, they illustrate our continued flexibility and utmost concern for those we serve – the very basis on which the future of Ontario's workers' compensation system depends.



Lincoln M. Alexander
Chairman

◀ Willard Shier of Toronto, a truck driver, became a quadriplegic as a result of an on-the-job accident and receives a permanent disability pension from the Board. His power wheelchair and the lift for his van, electronic doors and other necessary devices were provided by the Board. Special hand controls will soon allow him to drive the van himself, further contributing to his mobility.

Profile

BRUNO BERTUCCI
Claims Adjudicator

Bruno Bertucci, one of 160 adjudicators in the Board's Continuing Disability Claims Section, credits his capability as a claims adjudicator partly to his bachelor of science degree and partly to his fluency in Italian and French. "Having studied anatomy and physiology," he says, "I can understand more readily the medical reports we have to read daily. And my languages allow me to communicate with various workers and employers in the language with which they are most comfortable."

An ability to understand the medical reports of injured workers submitted by their physicians is just one of the skills needed by a claims adjudicator – that, the ability to communicate with a variety of people and a penchant for hard work.

Reorganization of the Board's Claims Services Division in 1982 was aimed at providing direct telephone access to claims adjudicators. This was achieved by realigning claims staff and resulted in reducing the caseload for adjudicators to about 225 claims (from 260) at any one time.

That still amounts to a substantial work load, particularly when, as Bruno explains, "a day's work is never quite done. We go home thinking about the claims we are dealing with and what we are going to do the next day to reach a decision."

Bruno joined the Board in Toronto as a claims adjudicator three years ago, after university and brief employment elsewhere. His training at that time included 10 weeks of combined classroom study into claims policies and procedures as well as practical, fully-monitored work exposure. This was followed by a full year in the Initial Adjudication Claims Section, where new lost-time claims are processed.

Once in the Continuing Disability Claims Section, Bruno was confronted with the adjudicator's most difficult task – namely, working towards issuing injured workers their cheques regularly and as quickly as possible. "In complex claims, it takes time to pull together all the information necessary to make a recommendation about whether someone is off work because of a compensable condition and not because of some other condition," says Bruno. That decision is arrived at only after careful evaluation of all the facts.

Each claim to the Board for compensation is decided on its own merit, and on the basis of The Workers' Compensation Act and established Board policies. In Bruno's view, this is a fair system, but it makes it no less easy for him to have to tell a worker that a payment will be late or, in some cases, that he or she is not entitled to compensation. "Although unavoidable, that has to be the most unpleasant part of my job," he admits. Luckily, it is counterbalanced by the satisfaction of authorizing payment to an injured worker for time lost from work because of a work-related disability.

Bruno looks at the role of the claims adjudicator as the heart of the Board's many services. "It's a unique job and I'm dedicated to it," he says. "If people sometimes think it is taking too long for their claim to be processed, I would like to assure them that it isn't because claims adjudicators are not conscientious."

The Year in Review

On December 21, 1982, the Workmen's Compensation Board of Ontario, and the Act which constitutes its mandate to administer the province's compensation system, were formally renamed the *Workers'* Compensation Board and The *Workers'* Compensation Act respectively, to better reflect the Board's service to both the working men and women of this province.

Such a change is undeniably important; but more important is the Board's continued provision of a fair, equitable and responsive system of compensation to Ontario's four million workers and more than 160,000 employers.

In discharging this responsibility, the Workers' Compensation Board provides the province with three fundamental services: first, adjudicating claims for work-related injuries and occupational diseases and compensating workers for time off work and for permanent disability; second, furnishing injured workers with comprehensive medical and vocational rehabilitation services to help them return to a healthy life and gainful employment; and third, paying for these services through the collection of funds from the province's employers.

The Board is organized to carry out these tasks in much the same way as any large organization and, accordingly, its success depends on the hard work and dedication of its staff province-wide.

CORPORATE BOARD

Presiding over the activities of the Workers' Compensation Board is the *Corporate Board*. Responsible for all policies and programs, it consists of the Chairman, Lincoln M. Alexander, who is the chief executive officer; the Vice-Chairman of Administration and General Manager, Alan G. MacDonald, who is the chief administrative officer; the Vice-Chairman of Appeals, Thomas D. Warrington; and, at present, two Commissioners of Appeals.

During 1982, the Corporate Board dealt with a wide variety of administrative and policy matters, as well as issues raised by outside groups and, on several occasions, met with representatives of those groups and with the Ministry of Labour.

The actual day-to-day running of the Board's programs is the responsibility of the *Management Committee*, which is chaired by and reports to the Corporate Board through the Vice-Chairman of Administration and General Manager. Members of this committee include the Senior Executive Director and Assistant General Manager, William R. Kerr, the executive directors of the Board's eight divisions, the executive co-ordinators of Regional Operations & Area Offices and the Policy Planning Secretariat, and the Board's Secretary.

POLICY PLANNING AND DEVELOPMENT

Reporting directly to the Vice-Chairman of Administration and General Manager is a new administrative group known as the *Policy Planning Secretariat*. At present, it directs the Board's program planning and project analyses activities as well as related statistical work. The Secretariat, which was established in 1982, is gradually becoming involved in policy research, planning and development for the Board.

Also reporting to the Vice-Chairman of Administration and General Manager is the *Human Rights and Equal Opportunity Program* which, among other things, encourages women at the Board to move into management positions. (In 1982, women held 39 per cent of the Board's management and senior administrative positions.)

As far as an injured worker is concerned, the involvement of the Workers' Compensation Board begins when his or her employer, physician, union, treating agency, or the individual worker files a claim for compensation for a work-related injury or disease.

Claims are processed by the Board's *Claims Services Division* in Toronto (and the regional offices in London and Sudbury), which sees to it that injured workers receive all the benefits to which they are entitled under The Workers' Compensation Act.

NEW CLAIMS PROVINCE-WIDE

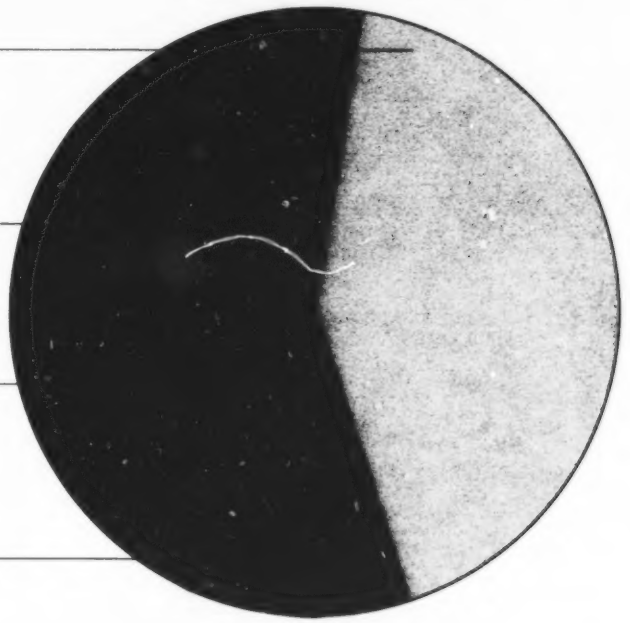
In 1982, new claims across the province totalled 349,747, a decrease of 15.7 per cent from the 415,044 new claims reported in 1981. Of total claims, 42.5 per cent (148,713) were accepted as lost-time

New permanent disability pensions awarded to workers during 1982 numbered 17,947, compared with 15,403 the previous year. This figure includes pensions for life as well as lump sum, provisional awards, and awards increased after re-evaluation. In addition, 3,495 temporary supplementary awards were made. The number of injured workers' active pensions on file at the end of the year was 75,690.

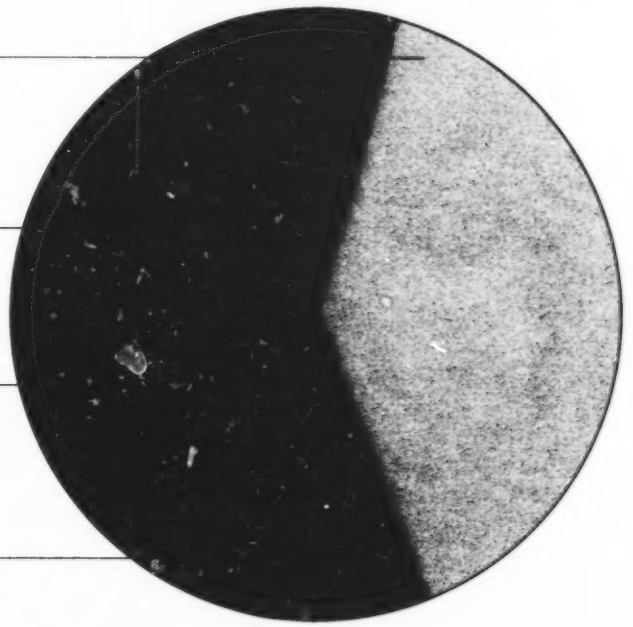
VOLUME AND TYPE OF CLAIMS ALLOWED

% Change 1982-1981	
Total claims	−15.7%
Allowed lost-time claims	−9.0%
Allowed no lost-time claims	−17.3%
Denied claims	−38.1%
Other	−67.8%

1982 (with % of total claims reported–349,747 = 100%)


Allowed lost-time claims 148,713 (42.5%)
Allowed no lost-time claims 183,990 (52.6%)
Denied claims 15,842 (4.5%)
Other (including withdrawn or pending claims) 1,202 (0.4%)

1981 (with % of total claims reported–415,044 = 100%)


Allowed lost-time claims 163,366 (39.4%)
Allowed no lost-time claims 222,374 (53.6%)
Denied claims 25,582 (6.1%)
Other (including withdrawn or pending claims) 3,722 (0.9%)

claims (involving time off work and compensation payments). Another 52.6 per cent (183,990) of claims were accepted as no lost-time claims (for accidents which necessitated medical treatment, but no time off work beyond the day of the accident). Allowed fatal claims by year of death in 1982 totalled 203.

Claims are examined by specially trained claims adjudicators who, on the basis of The Workers' Compensation Act and Board policies and guidelines, make the initial decision as to the worker's entitlement to compensation.

The Board's Second Injury and Enhancement Fund (SIEF) provides financial relief to Schedule 1 employers when a worker's pre-existing or underlying condition contributes to a new injury or prolongs the period of disability. The share of a claim's cost that is attributable to the prior condition is charged to the fund rather than to the current employer. Compensation and medical aid costs transferred to SIEF in 1982 totalled $107,279,326 (up from $77,924,181 in 1981).

Basically, the Board compensates injured workers in two specific ways. First, it provides benefits to workers who are temporarily or permanently disabled by a work-related injury or occupational disease. Second, the Board pays medical aid for injured workers, as necessitated by the compensable injury or disability. Medical aid expenses may include such things as treatment by a physician, chiropractor, physiotherapist or dentist; prescribed medication; a necessary appliance or prosthetic device.

BENEFIT LEVELS INCREASED

Benefit levels are set by the Ontario Legislature, but it is up to the Board, specifically Claims Services and Medical Services, to administer any legislated changes. On December 21, 1982, a legislative amendment to The Workers' Compensation Act increased benefit levels to injured workers, surviving spouses and dependants, effective July 1, 1982. Among other things, compensation for permanent disability was increased by 9 per cent and compensation for temporary total disability was raised to a maximum of $349.04 per week. Processing of these adjustments for the more than 100,000 claims affected began immediately.

During 1982, appeals adjudicators allowed or partially allowed 53.0 per cent of appeals decided. Appeal boards allowed or partially allowed 36.3 per cent of appeals decided.

Any claim in which an adjudicator recommends denial or limitation of entitlement, and any objections to decisions, are automatically reviewed by the Claims Review Branch. In 1982, a total of 21,923 claims were reviewed. A Review Branch specialist scrutinizes the claim to ensure the adjudicator has obtained all pertinent information and considers the adjudicator's written reasons and policy references for the decision.

The Claims Administrative Services Branch offers assistance to clients in their first language whenever possible. In 1982, branch personnel at head office and the Toronto Claims Information Centre included 40 people fluent in a variety of languages, such as Italian, French and Portuguese. An additional 127 multilingual staff throughout head office may be called upon to interpret as required.

The adjudicator's recommendation was confirmed in 61.6 per cent of claims and reversed in 4.2 per cent. The claim was returned for alternate action or directed for further review in 34.2 per cent of cases. The majority of claims in this final group, however, are ultimately accepted.

This is only the first step in a comprehensive system of claims re-examination which ensures fair and equitable treatment. In the event that employers or workers believe they have been treated unfairly by the Board, they have recourse to the Board's appeals process.

TWO-LEVEL APPEALS PROCESS

The Vice-Chairman of Appeals supervises the operation of the *Appeals System*, which hears and decides appeals and is organizationally separate from other Board activities. There are two levels to the appeals process and concerned parties can request an appeal hearing at either level. At the first level, an appeals adjudicator reviews the claim and may decide the appeal on the basis of the information on file, call a hearing before an appeals adjudicator, or refer the appeal to the second step of the system, which is a hearing by an appeal board of three commissioners.

In 1982, the number of appeals heard by appeals adjudicators and appeal boards increased. Appeals adjudicators held 2,960 hearings, 13.5 per cent more than in 1981. Appeal boards held 989 hearings, an increase of 2.6 per cent from the previous year. Appeal hearings are held at the Board's head office in Toronto and in seven other locations throughout the province — Thunder Bay, Sault Ste. Marie, Sudbury, Timmins, Windsor, London and Ottawa.

Injured workers may be represented at hearings by, among others, trade union representatives or the Board's workers' advisers. Workers' advisers, who on request will assist workers or their dependants in preparing an appeal, are independent of the entire adjudicative and appeals function and have complete freedom of action in representing workers' interests. They may also advise employers, but do not represent them at hearings.

Profile

DR. AMMINI
MALAYIL
Medical Adviser

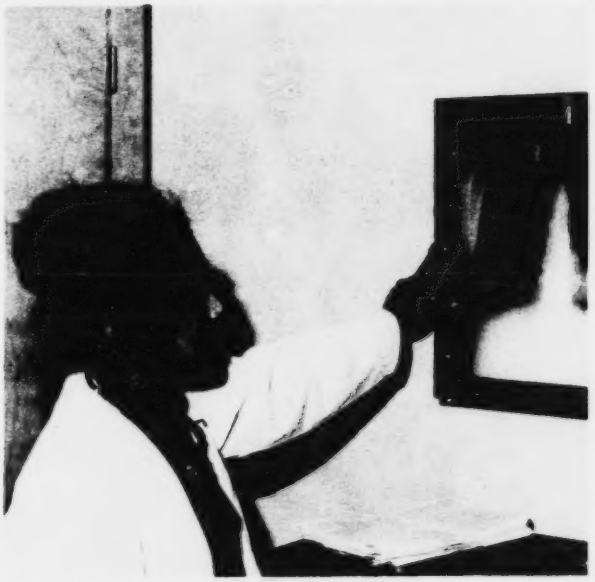
When Dr. Ammini Malayil joined the Workers' Compensation Board in 1971, she looked on her job as an opportunity to practice medicine while still having time for her young family. Her family has grown up since then, but her work as a medical adviser to the Claims Services Division still gives her the same satisfaction as when she first came to the Board.

"I'm most satisfied when I see that an injured worker has received the treatment he or she needs and when I am able to assist the Adjudication Branch in making the best decision concerning that worker's claim," says Dr. Malayil.

As one of 13 medical advisers to the Board's claims adjudicators at the Toronto head office, Dr. Malayil has two primary responsibilities. First, she advises adjudicators on the medical aspect of individual claims, particularly if they have problems in evaluating outside physicians' reports. This assistance is essential to a claims adjudicator, who must determine a worker's entitlement to compensation on the basis of complex medical information.

Second, she is involved in treatment control; that is, if a worker's disability is prolonged, the claims adjudicator will send the file to her. "If I am concerned about the treatment and the length of disability," she says, "I may ask the injured worker to come in for an assessment."

Sixteen claims adjudicators and their three team co-ordinators depend on Dr. Malayil for advice in these matters. For her, that means reviewing upwards of 50 claim files a day as well as performing clinical assessments of injured workers.



"Outside physicians sometimes lose sight of the fact that the Board handles about 350,000 new claims a year," she says. "I might see 50 files a day — that's a lot of injured workers' names to keep in mind."

One thing every injured worker who deals with the Board can be sure of is the quality of treatment recommended by Board physicians. "I believe we arrange the best possible treatment for injured workers," concludes Dr. Malayil. "We have access to top medical specialists in many fields — specialists to whom injured workers themselves might not have access."

ACCESS TO CLAIM FILES

The Medical Aid Branch paid for a total of 2,199,143 individual service items with respect to the treatment of injured workers in 1982.

To facilitate the preparation of an appeal, the Board allows injured workers or their representatives to receive photocopies of their claim files when a disputable issue exists. A disputable issue is an adverse decision made by a review group within one of the operating divisions of the Board, which has been communicated in writing to all parties concerned.

All material in the claim file is accessible except medical information which the Board might consider potentially harmful to the worker if disclosed directly. Such information is sent to the worker's physician, to be released to the worker at the physician's discretion, and the worker or worker's representative is so advised. By the end of 1982, which was the first complete year of full access to claim files, the Board found it necessary to invoke this safeguard in only 17 cases out of 7,371 requests for access to files – less than 0.25 per cent of all requests.

Employers have the right of access to only those records which the Board deems relevant to the issue in dispute. However, in 87 per cent of requests in 1982, the employer was granted full access to the file.

A total of 24 research projects were under way at the Hospital and Rehabilitation Centre in 1982.

The Workers' Compensation Board's responsibilities do not end with adjudicating claims and paying compensation and medical aid expenses for injured workers. The Medical Services and Vocational Rehabilitation Divisions strive to return the injured worker to a healthy, productive and satisfying life, both at home and in the workplace.

MEDICAL CARE FOR INJURED WORKERS

Physicians in the Medical Branch reviewed 134,478 claim files in 1982, up 20.5 per cent from 111,637 in 1981. The number of medical examinations of injured workers increased by 24.5 per cent, to 2,553 from 2,051 in 1981.

Through the *Medical Services Division*, the Board monitors medical care and advises on treatment of injured workers, assesses and pays medical aid accounts and related expenses, and provides medical opinions in the adjudication of individual claims.

Medical Services (in co-operation with Claims Services) evaluates residual permanent impairment in claims for pensions and supervises all facilities and programs for medical rehabilitation at the Board's Hospital and Rehabilitation Centre (H&RC) in Downsview (a suburb of Toronto).

Division staff identify industrial disease trends, determine cause-effect relationships and participate in the development of appropriate claims adjudication guidelines. Often in conjunction with independent researchers, staff are also involved in the numerous research projects of the division's Medical Branch.

MAJOR RESEARCH IN PROGRESS

Among major research projects under way in 1982, a number are worth special mention. The results of a back research program were to be presented at a meeting of the American Association of Orthopaedic Surgeons in early 1983. An important manuscript on the use of transcutaneous electrical nerve stimulators in the treatment of chronic pain was also completed. Investigation continues into the use of biofeedback in the treatment of back pain and migraine headaches, and into arachnoiditis (a disease of the brain and spinal cord).Other studies looked into major amputations as a result of electrical burns and the blood supply in cases of limb replantation.

Much of the division's research is based on the medical and rehabilitation care given to injured workers at the 522-bed Hospital and Rehabilitation Centre. Most patients at the Centre undertake a full-treatment, tailor-made program, including daily sessions in occupational therapy, recreation, physiotherapy and remedial gymnastics. Typically, a patient's treatment team includes a physician, physiotherapist, occupational therapist, remedial gymnast and recreational therapist. Vocational rehabilitation and psychological service counsellors also become involved in certain cases.

A number of clinics offer special services to injured workers. These include the Head Injury and Neurology Clinic, Amputee Clinic, General Trauma Clinic, Back Assessment and Rehabilitation Clinic, Hand Clinic and the Psychological Social Evaluation Module. In 1982, the majority of these were used more frequently than in the preceding year. For example, the number of injured workers using the Hand Clinic grew from 711 in 1981 to 793 in 1982 – an increase of 11.5 per cent.

Profile

ALEX FRICKLETON
Supervisor, Remedial Gym

Every weekday at the Board's Hospital and Rehabilitation Centre (H&RC) in Downsview, injured workers can be found bending, stretching or lifting weights in one of three gymnasiums. During the summer months, the hospital grounds themselves become a playing field for the rehabilitation of injured workers.

Directing these exercise programs at any given time is the responsibility of the Board's 14 remedial gymnasts; and supervising the gymnasts is a sprightly Scot named Alex Frickleton, who has been with the Board since 1969.

A remedial gymnast is "a specialist in exercise as it relates to disability," explains Alex. The scope of a remedial gymnast's work extends from the hospital bed through the rehabilitation process to occupational retraining. "We are prepared to give injured workers exercise programs which encompass everything from blinking (in the case of paralysis of the facial nerve) to finger-bending to exercises which facilitate the worker's return to heavy labour."

Much of the remedial gymnast's work at H&RC involves patients suffering from back injuries, but gymnasts also work with the Centre's head and hand injury clinics and, in Alex's case, the Pain Identification and Measurement Module, which is seeking ways to reduce pain.

Remedial gymnasts are also concerned with the attitudes of both injured and healthy workers to fitness as an aspect of job safety. It is possible, for example, for workers to avoid certain back problems if they remain in good physical condition. What Alex calls an injured worker's "exercise lifestyle" will also influence the efficacy of his or her recovery from an injury.

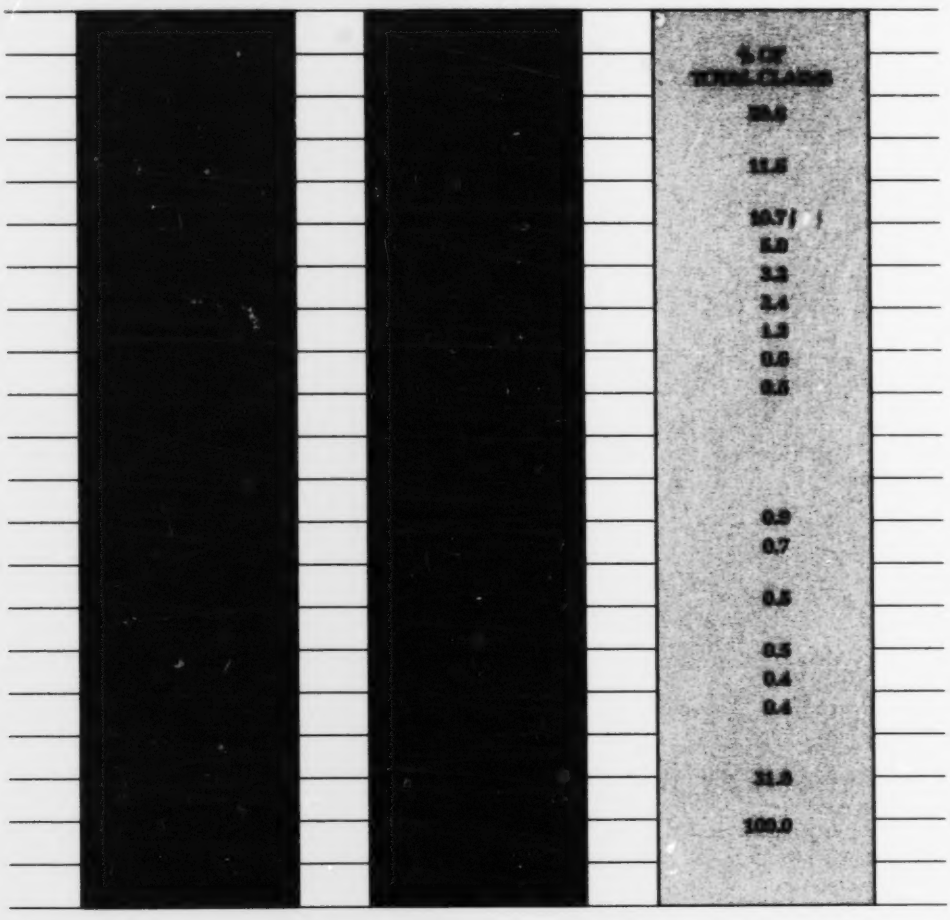
Alex came to remedial gymnastics by way of World War II. Involved in physical education before the war, he was recruited for commando training with the Armed Services Physical Training Corps. The Corps was also responsible for rehabilitation centres (or convalescent depots, as they were called) for servicemen injured during the war. It was through helping disabled servicemen that Alex became interested in remedial gymnastics.

Training other remedial gymnasts occupies much of Alex's time. He is concerned that, at present, remedial gymnastics training in Canada takes second place to the more popular kinesiology and physiotherapy.

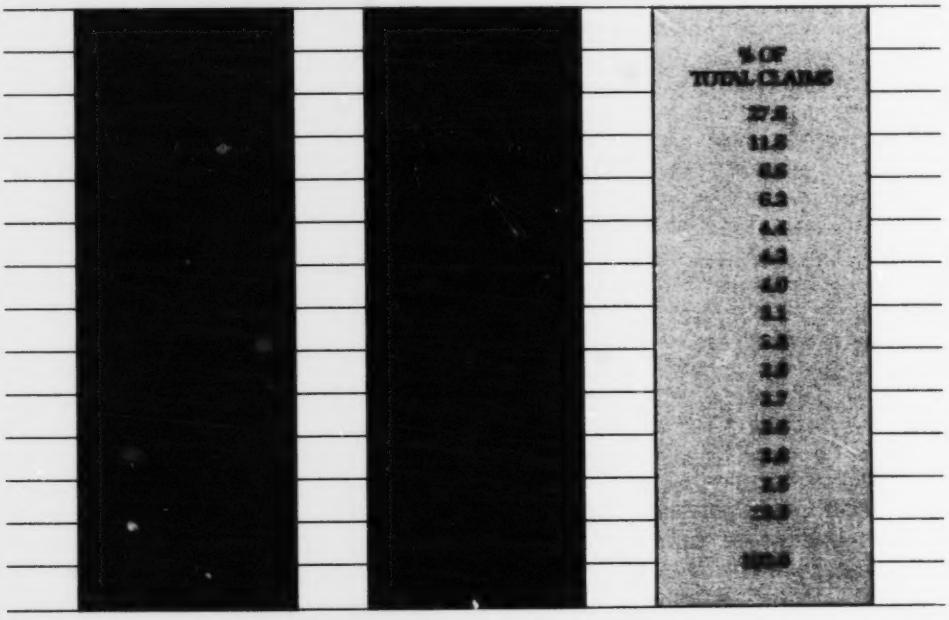
Alex has been working with some of Ontario's colleges and universities to encourage the development of programs in remedial gymnastics. Already, the Board participates in the co-operative program at the University of Waterloo, through which a kinesiology student spends a semester working with the remedial gymnasts at H&RC.

If a student considering a career in remedial gymnastics were to ask Alex what he likes most about his job, he would answer quite simply: "It is one discipline in which the patient's participation is most important. It is only by the patient becoming responsible for him or herself that rehabilitation can be considered complete. Helping patients to realize and accept this is a measure of a successful intervention by the remedial gymnast."

LOST-TIME CLAIMS BY NATURE OF INJURY/ILLNESS, 1982

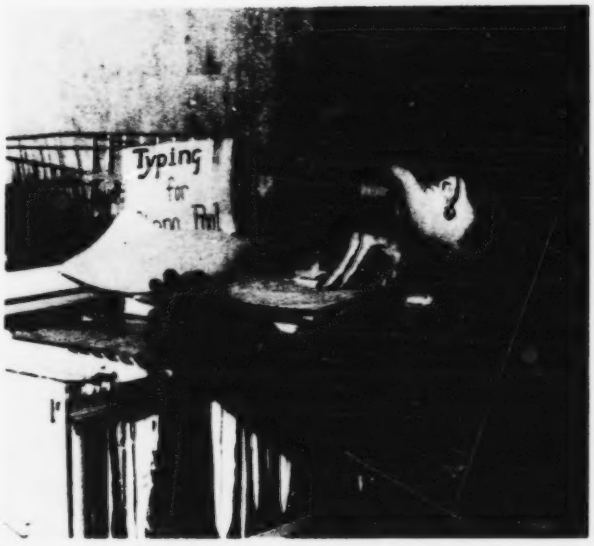


LOST-TIME CLAIMS BY PART OF BODY INJURED, 1982



Profile

CAROL BRUNETTE MANARIN Vocational Rehabilitation Counsellor



Carol Brunette Manarin is responsible for assisting eligible injured workers in finding jobs if they are unable to return to their original employment – not a simple task in Sudbury, where mining and other industries are only just beginning to pull out of a recession.

But Carol is particularly suited to her role as a vocational rehabilitation counsellor in the Board's Sudbury Regional Office, where she has worked since 1980. She is a native of the region and speaks French fluently, which is a big plus with the large French-speaking community in Sudbury. With a bachelor of arts degree in social communication and two years of study in kinesiology (the study of the human body in motion), she also knows how to deal with people and what to expect from a worker's injury.

"I spend the first part of most days interviewing injured workers and my training in kinesiology helps me to understand what is happening to them," says Carol. "In the afternoon, I may contact employers about possible job opportunities, colleges about courses for these individuals, people at the Canada Employment and Immigration Centre or other local agencies. I may also discuss injured workers' files with the claims adjudicators, medical advisers, medical aid personnel and physicians involved in their treatment and rehabilitation. A background in communicating with people helps."

Carol, one of 127 vocational rehabilitation counsellors in Board offices across the province, has a large caseload of injured workers at any one time. If an injured worker is eligible for vocational rehabilitation assistance and is unable to return to previous employment as a result of the injury, she will visit the worker at his or her home to explain the Board's programs and to provide supportive counselling when needed.

"It is important to help the worker arrive at a realistic employment goal as soon as possible after the injury, and to identify each of the tasks required to reach that goal," she explains.

Carol often deals with injured workers at a low period in their lives. When confronted with their anxiety and frustration at being without jobs or the skills needed to move on to new work, she tries to stay objective. "The key is not to take their frustration personally," she explains. "You just have to be firm and yet fair. I think you have to respond that way if you are going to work in one of the helping professions."

In addition, she will arrange evaluations to assist in determining a worker's skills, abilities, interests and, where applicable, physical capabilities. She may contact former employers, including the accident employer, as well as prospective employers on the worker's behalf. She may also arrange for a period of training, especially when acquiring a specific skill will enhance the worker's employability.

Clearly, much of Carol's work is carried on outside the office – travelling to various communities surrounding Sudbury and talking with people from all walks of life. It is precisely this diversity that appeals most to Carol about her work as a vocational rehabilitation counsellor in the Sudbury office: "I enjoy it because there is such a variety of work to be done every day and because I feel I am always learning something new, while helping others."

INCREASED ADMISSIONS TO H&RC

The average stay for patients in the full-treatment program at the Board's Hospital and Rehabilitation Centre increased to 20.0 days, from 18.8 days in 1981.

The number of patients admitted to the Centre has risen steadily in recent years (an increase of 23.7 per cent from 1978 to 1982). The year 1982 saw 11,690 admissions, compared with 11,253 the year before, or a 3.9 per cent increase. Of the 6,059 patients who completed the full-treatment program, 4,651 were fit to return to work, a success rate of 76.7 per cent in these complicated cases.

A total of 2,451 training programs for injured workers were commenced in 1982, a 5.7 per cent increase over the 2,319 programs in 1981.

A special initiative at the Hospital and Rehabilitation Centre in 1982 was the development of a program to train industry personnel in presenting the Board's Industrial Back Education Program to co-workers. Throughout the year, staff from the Centre and the Board's Communications Division led 20 of these training programs and gave a special presentation in Thunder Bay, for a total of 365 people trained. Apart from leader training, staff presented the Industrial Back Education Program itself to 4,572 employees in 42 companies across Ontario in 1982.

Rehabilitation staff throughout Ontario were instrumental in rehabilitating 3,482 injured workers in 1982. Of these, 2,705 were returned to work and an additional 777, who will not be returning to employment, were assisted in achieving financial self-sufficiency.

Patients at the Centre continue to benefit from the use of transcutaneous electrical nerve stimulator (TENS) units to control chronic pain in certain types of cases. There was a 4 per cent increase in the number of units prescribed in 1982, to 833 from 801 in 1981. An analysis of a large group of former patients who used TENS units was completed during the year and demonstrates conclusively that the unit is capable of suppressing and/or reducing chronic pain.

REHABILITATED WORKERS RETURN TO WORK

Well before an injured worker's medical rehabilitation is complete, the Board begins the process of helping him or her return to gainful employment and a place in the community. Through the efforts of rehabilitation counsellors, various specialists and administrative staff in the *Vocational Rehabilitation Division*, as well as vocational rehabilitation personnel in the Board's two regional offices, injured workers are assisted in preparing for and actually returning to the work force.

The division sponsored 351 "English as a Second Language" courses for injured workers in 1982, enabling them to better compete in the job market.

Since no two clients' needs are identical, the Board draws upon a wide range of services in order to provide each injured worker with a rehabilitation program best suited to his or her needs. Services include several forms of counselling (supportive, vocational, employment, financial and social) and arranging a variety of assessments of a worker's vocational interests, aptitude and capabilities. Rehabilitation staff assist in job searches, arrange academic, skill or on-the-job training and identify job opportunities while promoting the hiring of rehabilitated workers.

The unemployment situation in 1982 complicated the Board's efforts to secure employment for rehabilitated workers. While jobs were scarce, as some companies were forced to reduce or shut down operations, the Board faced increases in the number of referrals for rehabilitation services. There were 5,981 new referrals across the province in 1982, an increase of 17 per cent over 1981. In addition, services were re-opened for 1,675 injured workers.

To assist workers with complex placement needs, the Vocational Rehabilitation Division instituted a specialized placement service in 1982. Counsellors experienced in helping individuals with serious disabilities act as resource people in various occupational groups.

BACKING A COMEBACK

With a new slogan developed by the Communications Division – "Back A Comeback" – and frequent employment blitzes across Ontario, the Board continued a public awareness campaign, encouraging employers to contact the Board with job opportunities for rehabilitated workers. A total of 3,760 job opportunities were secured by division staff in 1982.

Throughout the year, the Board continued to consolidate its services outside Metropolitan Toronto by means of major changes in the organization of its regional operations. On June 1, 1982, all Workers' Compensation Board offices outside Toronto were placed under the direction of the Executive Co-ordinator, *Regional Operations and Area Offices*. This includes offices in Windsor, Kitchener, St. Catharines, Hamilton, Kingston, Ottawa, North Bay, Thunder Bay, and Timmins, as well as an information service office in Sault Ste. Marie and two regional offices in London and Sudbury.

Profile

BILL ALEXANDER
Senior Revenue Specialist

Bill Alexander is a senior revenue specialist in the Board's Kitchener Area Office. With two co-workers, he is responsible for Board revenue work concerning employers in four counties surrounding Kitchener – in all, about 20,000 businesses.

That's a lot of territory and it keeps Bill busy. Most of his day is spent in the bustling, ground-floor Kitchener Area Office – just down the street from the famous Kitchener Farmers' Market – fielding questions from employers wanting information on everything from assessment rates to coverage requirements for their particular business.

"Revenue staff are here to help employers," he says. "We explain our method of billing; we register new employers and correctly classify them according to the type of industry they are engaged in, for purposes of determining their assessment rates; and we close employer files when they go out of business. We also provide statements of account and occasionally get involved in collection activities when employers fall behind in paying their assessments."

One of the benefits to employers of dealing with a revenue specialist in a local Board office is that he or she can easily be reached by telephone or in person. There is no question in Bill's mind that employers prefer it that way: "We are diversified, so employers can get all their revenue questions answered by one person. And if I don't know the answer, at least I know where to go to find it."

It's this personal contact which appeals most to Bill about his job and about working in a small area office. That, and the opportunity to occasionally speak with local employer groups about the Board – sometimes arranged by one of the safety associations for member employers. For these public speaking engagements, the Kitchener Area Office will often send a team consisting of Bill, a vocational rehabilitation specialist and a claims representative.

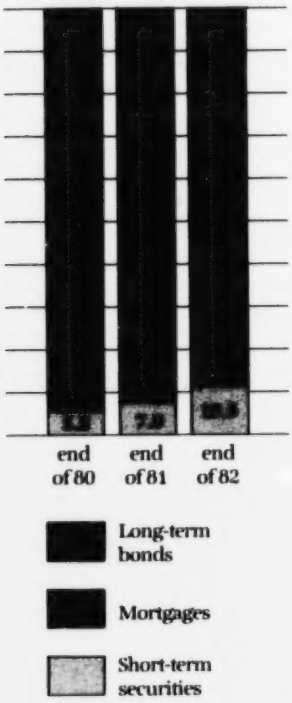
The biggest challenge facing him as a revenue specialist is explaining the Board's industry rating system and the principle of collective liability it embodies. "Some people in business don't immediately grasp the concept of collective liability," he says. "They don't see why their assessment rates should rise even though they have had no accidents. I have to explain to them how the cost of accidents is spread over their industry as a whole."

Bill, who has been with the Board since 1969, the year after high school graduation, takes such challenges in stride. "I try to remember that, for employers, workers' compensation is a cost of doing business in Ontario and that these costs are passed on to the consumer."

Not every employer he has dealt with has been satisfied with his decisions. But as Bill concludes, "There should be no complaints that I haven't provided the best personalized service."

CHANGES IN THE ACCIDENT FUND INVESTMENT PORTFOLIO, 1980-1982

(Percentage of total)



A total of 171,231 medical aid payments were processed by the two regional offices in 1982.

During 1982, staff of the Board's 12 area, regional and information service offices conducted 221 seminars and speaking engagements in the community.

REGIONAL OFFICES SERVE COMMUNITY

The Board began the process of decentralizing its claims adjudication service in 1980 by opening regional offices in London and Sudbury. Both offices adjudicate all accident claims originating from their respective regions and provide most related services, including medical and rehabilitation services. (Certain claims functions are still handled at the Toronto head office, including claims for industrial disease and fatal injuries, the establishment of permanent disability awards, pension supplements and dependants' pensions, and claims in the appeals process.)

Of a total of 349,747 new claims reported to the Board province-wide in 1982, 18,888 and 17,145 were reported to the London and Sudbury offices respectively. The two offices processed a total of 77,668 lost-time payments during the same period.

The London and Sudbury offices, in particular, have adopted more efficient work methods as a result of reorganization in 1982. Staff were realigned to take into account heavy caseloads. More efficient computer equipment was installed in both offices to expedite payment of awards. The Sudbury regional office initiated a study to introduce the decentralized authorization of vocational rehabilitation payments (under Section 54 of The Workers' Compensation Act) in both regional offices in 1983. The London office began a pilot project to decentralize the handling of orthotic and prosthetic devices and clothing allowance items, the results of which will be evaluated in 1983.

As in past years, staff of the area and information service offices continued the practice of visiting communities not easily accessible to any of these offices. Visiting counselling services were regularly scheduled in 12 communities province-wide.

ANNUAL ASSESSMENTS FUND SERVICES

The Workers' Compensation Board draws on two primary sources of revenue to fund all of its programs and services. The vast majority of funds come from annual assessments on the province's employers, while the balance is drawn from revenue-generating investments.

As a result of the investment decisions of the *Financial Services Division* – charged with providing a comprehensive program of financial management for all Board operations – the Board's net investment income rose from $165.9 million in 1981 to $170.1 million in 1982. The running yield on the long-term portfolio also continued to improve, rising from 10.63 per cent in 1981 to 10.87 per cent in 1982. At the same time, accident fund investments (valued at amortized cost adjusted for accumulated unamortized net losses) grew to $1.63 billion from $1.57 billion in 1981.

In 1982, a 10 per cent increase in the average assessment rate and an increase in the maximum assessable earnings from $18,500 to $22,200 per year caused assessments to rise from $601 million (in 1981) to $704 million. While the maximum earnings level for computing compensation was raised in December, 1982, retroactive to July 1, 1982, the Board recognized the hardship this might pose to employers and postponed the corresponding increase in the maximum for assessable earnings until January 1, 1984.

The estimated payroll reported by Schedule 1 employers increased to $40.8 billion in 1982 from $37 billion in 1981. The number of employers covered under Schedule 1 fell to 160,000 from 161,000 in 1981, representing a decrease of 0.6 per cent.

NEW ASSESSMENT RATES

Looking ahead to the Schedule 1 Accident Fund's liability, the Board's *Actuarial Services* computed new assessment rates for 1983. The Corporate Board in 1982 approved an average increase of 12 per cent for 1983 assessment rates, making $1.98 the average rate of assessment for every hundred dollars of assessable payroll in 1983 (from $1.77 in 1982).

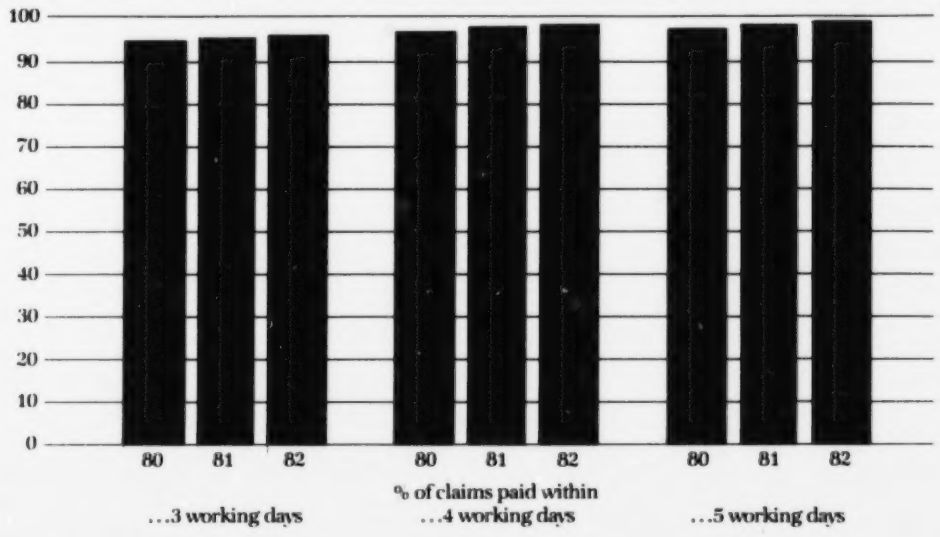
Monies also accrue to the Board through the work of *Legal Services*. This group advises the Corporate Board and operating management on legal matters and is responsible for engaging in litigation on behalf of injured workers who have chosen to subrogate to the Board their right of action against negligent third parties under Section 8 of the Act.

CLAIMS RESPONSE TIMES, 1980-1982

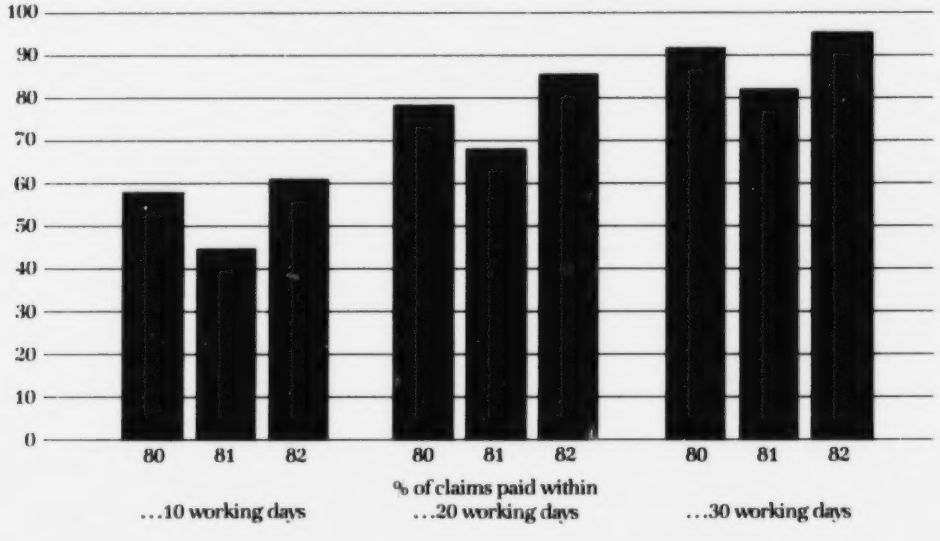
A comparison over three years of the time between the Board's receipt of accident notification and its issuing of the first compensation cheque.*

*Claims excluded from these charts: 1) claims in which there was a change in status from "no lost-time" to "lost-time"; 2) hernia claims; 3) industrial disease claims.

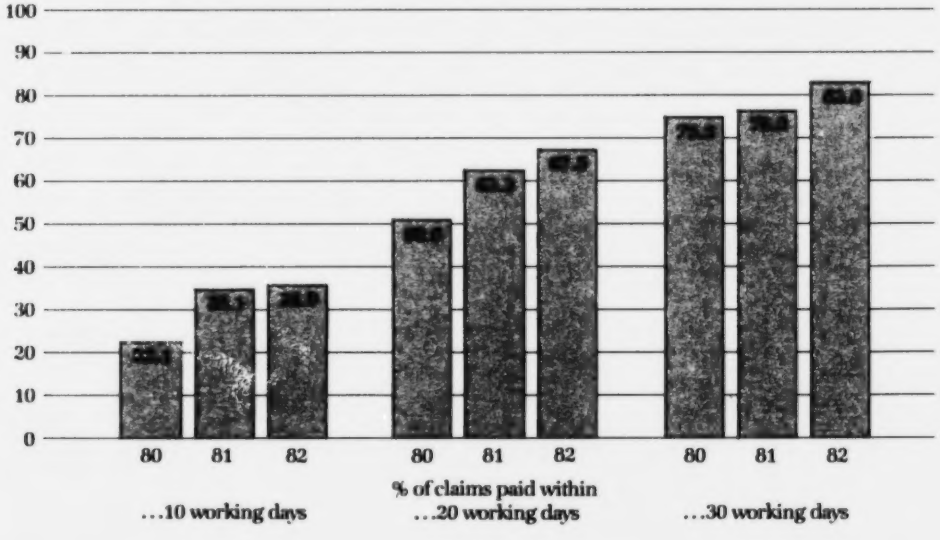
UNCOMPLICATED CLAIMS
(Instituted on the employer's report)



CLAIMS INSTITUTED ON THE DOCTOR'S FIRST REPORT
(Requiring additional reports from the employer employee)



COMPLICATED CLAIMS
(Needing enquiries or full field investigations)



The Council of Safety Associations, as a result of major reorganization in 1982, established several new subcommittees. Among projects initiated during the year was a Task Force on Backs, to study the causes of and solutions to occupational back problems. A study into the extent of occupational health and safety education available at various levels of the school system was also initiated.

In 1982, there were increases both in the number of litigation files opened (569, from 282 the previous year) and the number of cases settled (308, compared with 254 in 1981). Damages recovered in these settlements amounted to $2,104,293, compared with $2,553,611 in 1981.

Another responsibility of Legal Services is the transfer of costs between Schedule 1 employers, where an employee or another employer is responsible in whole or in part for such costs. A total of 621 such transfers were made in 1982, compared with 842 in 1981.

SUPPORT SERVICES ESSENTIAL

Three other divisions which perform crucial functions within the Board are Administrative Resources, Human Resources and Communications.

The *Administrative Resources Division* provides a wide range of support services to all divisions of the Board, from security administration to co-ordinating the works department at the Hospital and Rehabilitation Centre. The *Human Resources Division* is responsible for staffing, training, salary and benefits administration, and assisting the Board's operating management in organizational review and restructuring. The function of the *Communications Division*, as its name implies, is to communicate the Board's programs, policies and procedures to the public.

OCCUPATIONAL HEALTH AND SAFETY EDUCATION

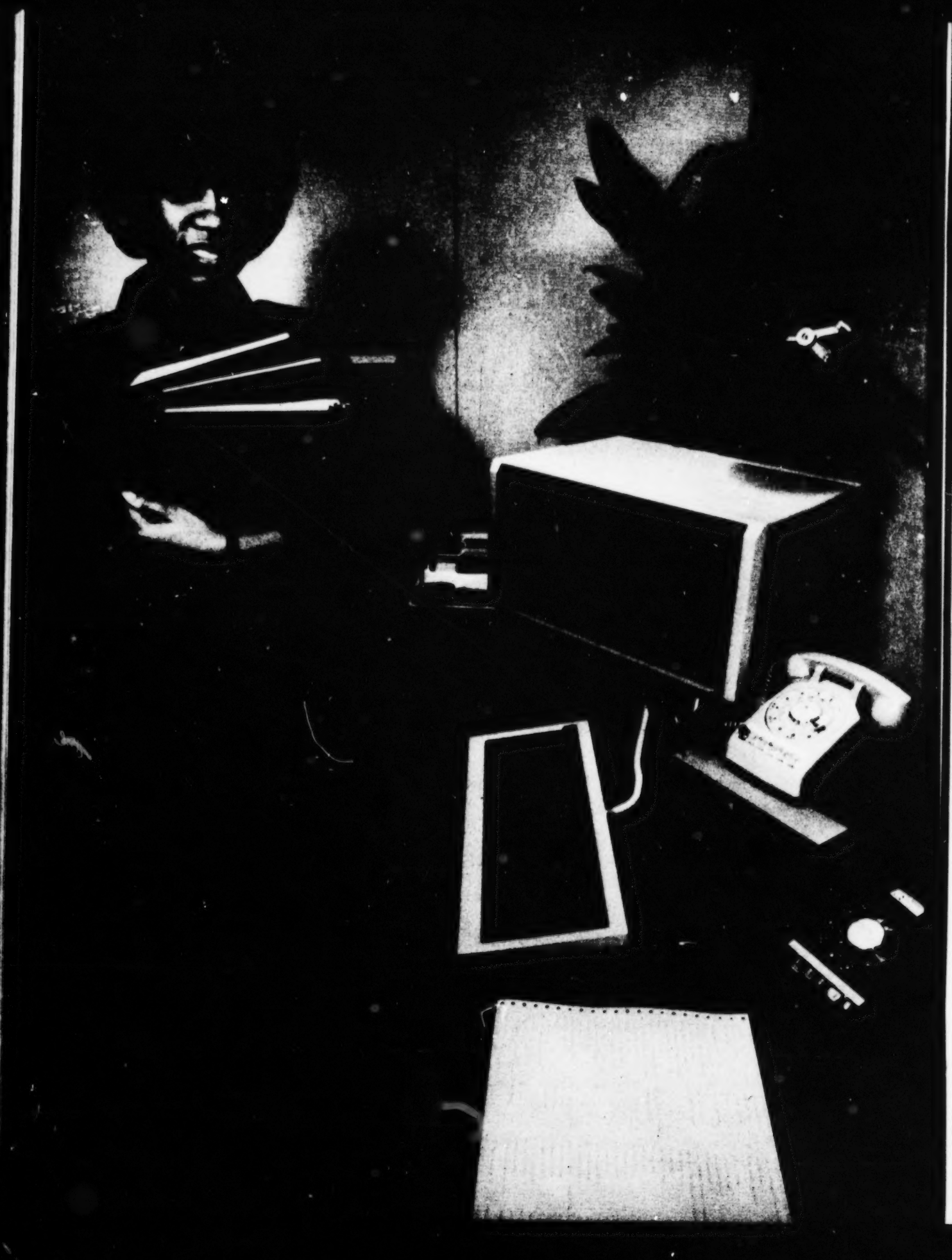
The Council of Safety Associations conducted 10 seminars across the province on alcohol and drug abuse in the workplace during 1982.

The Board has one final and important responsibility above and beyond its fundamental services – the direction of occupational health and safety education in Ontario. The Board encourages health and safety education and accident prevention in the workplace and makes an important contribution to the field. Through its *Safety Education Division*, it also administers the first aid regulations under The Workers' Compensation Act. (In 1982, more than 22,000 workers across Ontario received standard first aid training at the Board's expense.)

A policy adopted in June, 1982 makes the Workers' Compensation Board (which in that year budgeted more than $26 million to support the work of nine provincial safety associations) responsible for the direction and control of all occupational health and safety education in the province under the terms of the Act. Essentially, this means the Board will co-ordinate the work of the safety associations.

The success of the Board in providing better, more comprehensive service to injured workers and employers throughout Ontario largely depends on the co-operation of injured workers, their representatives, employers, the treating professions and, of course, the dedication of Board staff across the province.

In this spirit of co-operation and dedication, the Workers' Compensation Board will face the challenges of the year ahead with confidence and will continue to provide equitable, individualized service to the working men and women of this province.



Workers' Compensation Board
Financial Statements
Year Ended December 31, 1982

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Workers' Compensation Board Superannuation Fund
Financial Statements
Year Ended December 31, 1982

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Ontario

Office of the
Provincial
Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416 / 965-1381

To the Workers' Compensation Board
and to the Minister of Labour.

I have examined the balance sheets – Schedule 1 Accident Fund and Schedule 2 of the Workers' Compensation Board (formerly Workmen's Compensation Board) as at December 31, 1982 and the statements of income, expenses and unfunded liability – Schedule 1 Accident Fund and of changes in net deposits – Schedule 2 for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Board as at December 31, 1982 and the results of its operations for the year then ended in accordance with the accounting principles set out in the notes to the financial statements, applied on a basis consistent with that of the preceding year.

A report on the audit has been made to the Board and to the Minister.

D. F. Archer, F.C.A.,
Provincial Auditor.

Toronto, Ontario,
April 29, 1983.

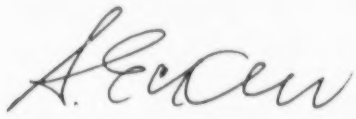
Eckler, Brown, Segal & Company Ltd.
Consulting Actuaries

Consulting Actuary's Report on the Valuation of the Actuarial Liabilities of the Schedule 1 Accident Fund of the Workers' Compensation Board of Ontario as at December 31, 1982

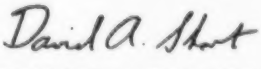
The estimated present value of future compensation, pension payments and medical aid under Schedule 1 on account of accidents that occurred on or before December 31, 1982 in the amount of $3.31 billion has been determined by the Board's Staff Actuary, after consultation with us. We believe that the assumptions made in this valuation are appropriate and that the methods employed are in accordance with sound actuarial principles. We have made such tests of the calculations as were deemed necessary. We have also examined the data upon which the calculations were based and found it to be sufficient for the purposes of the valuation and consistent with the Board's financial statements.

As in previous valuations, no explicit provision has been made for potential future legislated amendments to the Workers' Compensation Act, such as a continuation of the series of amendments which have been made periodically in recent years to increase the covered earnings ceiling and the level of pensions in response to inflation. However, as in the previous valuation as of December 31, 1981, we made some provision for such future amendments by using an assumed interest rate lower than the rate which would have been used based solely on the yields on the Board's current and future investments. We estimate that this partial provision amounts to $300 million which is included in the present value of $3.31 billion referred to above. The methods and assumptions employed in the valuation were consistent with those used in the previous valuation, after taking account of changes in claim patterns and economic factors.

In our opinion, which includes the foregoing comments, the amount of $3.31 billion as at December 31, 1982 makes reasonable provision for future compensation, pension payments and medical aid under Schedule 1 on account of accidents that occurred on or before December 31, 1982.



Samuel Eckler, F.S.A., F.C.I.A.



David A. Short, F.S.A., F.C.I.A.

Actuaries with the firm of Eckler,
Brown, Segal & Company Ltd.

April 29, 1983.

BALANCE SHEET – SCHEDULE 1 ACCIDENT FUND

December 31, 1982

ASSETS	1982 ($000's)	1981
Cash	$ 10,068	$ 3,546
Investments (Note 3)	1,625,285	1,569,295
Other assets (Note 4)	266,469	248,674
Land, buildings and equipment (Note 5)	19,094	19,094
	$ 1,920,916	$1,840,609
LIABILITIES		
Accounts payable and accrued charges (Note 6)	$ 39,029	$ 46,749
Estimated present value of future payments to existing Schedule 1 claimants	3,310,000	2,610,000
	$ 3,349,029	$2,656,749
Unfunded liability	(1,428,113)	(816,140)
	$ 1,920,916	$1,840,609

Approved by the Board

Chairman

Vice-Chairman of Administration and General Manager

STATEMENT OF INCOME, EXPENSES AND UNFUNDED LIABILITY – SCHEDULE 1 ACCIDENT FUND

Year Ended December 31, 1982

INCOME	1982 ($000's)	1981
Assessments and penalties (net of uncollectible assessments 1982 – $20,593; 1981 – $8,593)	$ 696,604	$ 601,470
Investment income (Note 8)	170,057	165,935
	$ 866,661	$ 767,405
EXPENSES		
Benefits (Note 9)	$ 651,469	$ 556,565
Provision for increase in estimated present value of future payments to existing claimants		
Current	365,000	160,000
Legislative amendments (Note 10)	335,000	360,000
Accident prevention	26,244	21,470
Administration	77,042	67,051
Medical and rehabilitation services	17,862	14,687
Mine rescue	857	799
Occupational health and safety	5,160	4,700
	$ 1,478,634	$1,185,272
Excess of expenses over income	$ (611,973)	$ (417,867)
Unfunded liability, beginning of year	(816,140)	(398,273)
Unfunded liability, end of year	$(1,428,113)	$ (816,140)

BALANCE SHEET – SCHEDULE 2

December 31, 1982

ASSETS	1982	($000's)	1981
Cash	$ 1,615		$ 1,985
Investments	7,474		5,496
Administration expenses recoverable (Note 7)	8,458		7,116
Interest and other receivables	138		133
	$17,685		$14,730
LIABILITIES			
Due to Schedule 1	$ 7,760		$ 7,018
Net deposits	9,925		7,712
	$17,685		$14,730

Approved by the Board

Chairman

Vice-Chairman of Administration and General Manager

STATEMENT OF CHANGES IN NET DEPOSITS – SCHEDULE 2

Year Ended December 31, 1982

INCREASE IN DEPOSITS	1982	($000's)	1981
Reimbursements from employers			
Benefits	$56,934		$48,496
Administration costs	10,160		7,939
Investment income	904		933
	$67,998		$57,368
DECREASE IN DEPOSITS			
Benefits to workers			
Compensation	$23,204		$18,412
Medical aid	9,837		9,189
Rehabilitation	557		524
Pensions	22,027		20,452
Administration costs	10,160		7,939
	$65,785		$56,516
Increase in net deposits	$ 2,213		$ 852
Net deposits, beginning of year	7,712		6,860
Net deposits, end of year	$ 9,925		$ 7,712

NOTES TO THE FINANCIAL STATEMENTS

December 31, 1982

1. SIGNIFICANT ACCOUNTING POLICIES

Basis of accounting

The financial statements have been prepared using the accrual method of accounting except for Schedule 2 benefit payments and their related reimbursements which are accounted for on the cash basis.

Investments

Investments are carried at amortized cost for bonds and amortized cost less principal repayments for mortgages. The difference between the proceeds on the sale of a bond or mortgage and its book value is considered to be an adjustment of future portfolio yield deferred on the balance sheet and amortized over the lesser of the period to maturity of the security sold or 20 years. Short-term investments are carried at cost.

Market values of investments are not disclosed as the Board's policy is generally to hold them to maturity.

Land, buildings and equipment

Land, buildings and equipment are stated at cost. Buildings and equipment are depreciated on the straight-line method at rates calculated to amortize the cost of the assets over their estimated useful lives.

Equipment purchases with a unit cost of $1,000 or less and leasehold improvements with a unit cost of $5,000 or less are expensed.

Assessment income

Assessment income is determined on the basis of provisional payrolls reported by employers. At year end, an accrual is calculated to give effect to the additional assessment revenue anticipated as a result of the actual payrolls being greater than provisional.

Estimated present value of future payments to existing Schedule 1 claimants

The estimated present value of future payments to existing Schedule 1 claimants is determined annually on an actuarial basis and is reviewed by independent consulting actuaries.

2. SCHEDULE 1 AND SCHEDULE 2

Schedule 1 relates to industries where the employers are liable to contribute to the accident fund and Schedule 2 relates to industries where the employers are individually liable to pay compensation, medical aid, rehabilitation costs and pensions.

3. INVESTMENTS

	1982 ($000's)	1981
Bonds	$1,018,111	$1,053,271
Mortgages	415,871	388,084
	$1,433,982	$1,441,355
Unamortized portion of realized losses, net of gains, on sale of investments	22,301	18,708
	$1,456,283	$1,460,063
Short-term	169,002	109,232
	$1,625,285	$1,569,295

4. OTHER ASSETS

	1982 ($000's)	1981
Accrued investment income	$ 30,949	$ 29,098
Accrued assessment income	20,000	40,000
Assessment and other receivables	207,760	172,551
Prepaid administration expenses	—	7
Due from Schedule 2	7,760	7,018
	$266,469	$248,674

5. LAND, BUILDINGS AND EQUIPMENT

($000's)

	Cost	Accumulated Depreciation and Amortization	Net Book Value	Depreciation and Amortization Rates
Land	$ 6,754	$ —	$ 6,754	—
Buildings	10,472	4,641	5,831	2½%
Leasehold improvements	2,357	1,167	1,190	10%
Equipment	15,481	11,099	4,382	20%
Motor vehicles	1,639	702	937	25%
	$36,703	$17,609	$19,094	

6. ACCOUNTS PAYABLE AND ACCRUED CHARGES

	1982 ($000's)	1981
Accounts payable and accrued charges	$22,523	$30,221
Cheques issued and not yet cashed	16,506	16,528
	$39,029	$46,749

7. ADMINISTRATION EXPENSES RECOVERABLE

The Board administers the payment of worker benefits on behalf of Schedule 2 employers, for which it allocates a charge to Schedule 2 employers based on the total administration costs less certain costs not appropriate to Schedule 2.

8. INVESTMENT INCOME

	1982 ($000's)	1981
Investment income	$176,513	$170,160
Less		
Amortization of losses, net of gains, on sale of investments	(6,034)	(3,807)
Investment administration expenses	(422)	(418)
	$170,057	$165,935

9. BENEFIT EXPENSES

	1982 ($000's)	1981
Compensation	$356,464	$289,123
Medical aid	90,005	86,060
Rehabilitation	16,750	13,341
Pensions	189,509	169,793
	$652,728	$558,317
Less recovered from third parties	1,259	1,752
	$651,469	$556,565

10. LEGISLATIVE AMENDMENTS

The Workers' Compensation Act was amended during the year by consent of the Legislative Assembly of the Province of Ontario. The effect of the amendments was to increase the amount of certain benefit payments made to claimants with the application of these increased payments having an effective date of July 1, 1982.

The effect of the legislative amendments was to increase the estimated present value of future payments to existing Schedule 1 claimants by $335 million.

11. LEASE COMMITMENTS

The Board rents office space under operating lease arrangements with terms of various expiry dates. The aggregate minimum annual rental under these arrangements for the next five years is as follows:

	($000's)
1983	$3,857
1984	$3,710
1985	$3,103
1986	$2,778
1987	$2,587

12. SUPERANNUATION FUND

The Board has a benefit-based premium plan, the Superannuation Fund, for its employees and employees of the provincial safety associations. The accounts of the Fund are included in separate financial statements.

13. CHANGE OF NAME

During the year, by an Act of the Legislative Assembly of the Province of Ontario, the name of the Workmen's Compensation Board was changed to the Workers' Compensation Board.

SCHEDULE 1 ACCIDENT FUND — ACCIDENT PREVENTION EXPENSES BY CATEGORY AND SAFETY ASSOCIATION

Year Ended December 31, 1982

BY CATEGORY	1982	($000's)	1981
Salaries and employees' benefits	$14,156		$11,739
Travel and vehicle maintenance	2,349		1,970
Supplies and services	529		492
Equipment rental and maintenance	425		155
Depreciation of equipment	284		138
Occupancy costs	1,167		916
Security services and insurance	50		47
Communications and publications	6,300		4,693
Other	984		1,320
	$26,244		$21,470
BY SAFETY ASSOCIATION			
Construction Safety Association of Ontario	$ 7,692		$ 6,442
Electrical Utilities Safety Association of Ontario	1,210		1,002
Forest Products Accident Prevention Association	1,106		953
Farm Safety Association Inc.	612		534
Hospital Accident Prevention Association	1,077		793
Industrial Accident Prevention Association	11,480		9,505
Mines Accident Prevention Association of Ontario	1,617		1,000
Ontario Pulp & Paper Makers Safety Association	477		387
Transportation Safety Association of Ontario	973		854
	$26,244		$21,470

SCHEDULE 1 ACCIDENT FUND — ADMINISTRATION EXPENSES

Year Ended December 31, 1982

	1982	($000's)	1981
Salaries and employees' benefits	$ 78,438		$67,171
Travel and vehicle maintenance	2,513		2,148
Supplies and services	2,138		2,370
Equipment rental and maintenance	4,761		5,391
Depreciation of equipment	1,565		1,328
Occupancy costs — net	4,399		3,220
Security services and insurance	683		420
Data processing costs	576		452
Communications and publications	6,725		4,549
Chest examining station costs	581		710
Credit reports and legal expenses	502		381
Professional fees and services	788		500
Other	1,917		1,555
	$105,586		$90,195
Less administration expenses charged to:			
Investment income	$ 422		$ 418
Hospital and Rehabilitation Centre	100		100
Medical and rehabilitation services	17,862		14,687
Schedule 2	10,160		7,939
	$ 28,544		$23,144
Net charge to Statement of Income, Expenses and Unfunded Liability—Schedule 1 Accident Fund	$ 77,042		$67,051

Ontario

Office of the Provincial Auditor

Parliament Buildings
Queen's Park
Toronto, Ontario
M7A 1A2
416 / 965-1381

To the Workers' Compensation Board
and to the Minister of Labour.

I have examined the balance sheet of the Workers' Compensation Board Superannuation Fund as at December 31, 1982 and the statement of transactions and fund balance for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at December 31, 1982 and the changes in fund balance for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

A report on the audit has been made to the Board and to the Minister.

D. F. Archer, F.C.A.,
Provincial Auditor.

Toronto, Ontario,
April 29, 1983.

BALANCE SHEET – SUPERANNUATION FUND

December 31, 1982

ASSETS	1982	($000's)	1981
Cash	$ 1,611		$ 536
Investments (Note 3)	119,807		105,094
Accrued investment income	1,866		1,582
Accounts receivable	181		137
	$123,465		$107,349
LIABILITIES			
Accounts payable	$ 348		$ 384
Fund balance	123,117		106,965
	$123,465		$107,349

Approved by the Board

Chairman

Vice-Chairman of Administration and General Manager

STATEMENT OF TRANSACTIONS AND FUND BALANCE – SUPERANNUATION FUND

Year Ended December 31, 1982

CONTRIBUTIONS RECEIVED FROM	1982	($000's)	1981
The Board and the Safety Associations	$ 4,027		$ 3,334
The employees of the Board and the Safety Associations	3,720		3,063
	$ 7,747		$ 6,397
INVESTMENT INCOME	$ 12,041		$ 9,558
	$ 19,788		$ 15,955
DEDUCT			
Pensions paid	$ 3,325		$ 3,012
Contributions plus interest refunded to staff	311		763
	$ 3,636		$ 3,775
Increase in the fund for the year	$ 16,152		$ 12,180
Fund balance, beginning of year	106,965		94,785
Fund balance, end of year (Note 4)	$123,117		$106,965

NOTES TO THE FINANCIAL STATEMENTS
December 31, 1982

1. SIGNIFICANT ACCOUNTING POLICIES
The financial statements have been prepared in accordance with generally accepted accounting principles and reflect the following policies:

Investments
Investments are carried at amortized cost for bonds, amortized cost less principal repayments for mortgages and cost for equities and short-term paper.

Gains or losses realized on the sale of investments are included in investment income on the statement of transactions and fund balance.

Translation of foreign currency
U.S. dollar accounts, where applicable, in these financial statements are translated into Canadian dollars on the following basis:

(a) Investments – at the rates of exchange prevailing when the investments were acquired.
(b) Investment income – at the rates of exchange prevailing on the dates of the transactions.

2. SUPERANNUATION FUND
The Superannuation Fund is a benefit-based pension plan for the employees of the Workers' Compensation Board and employees of the provincial safety associations.

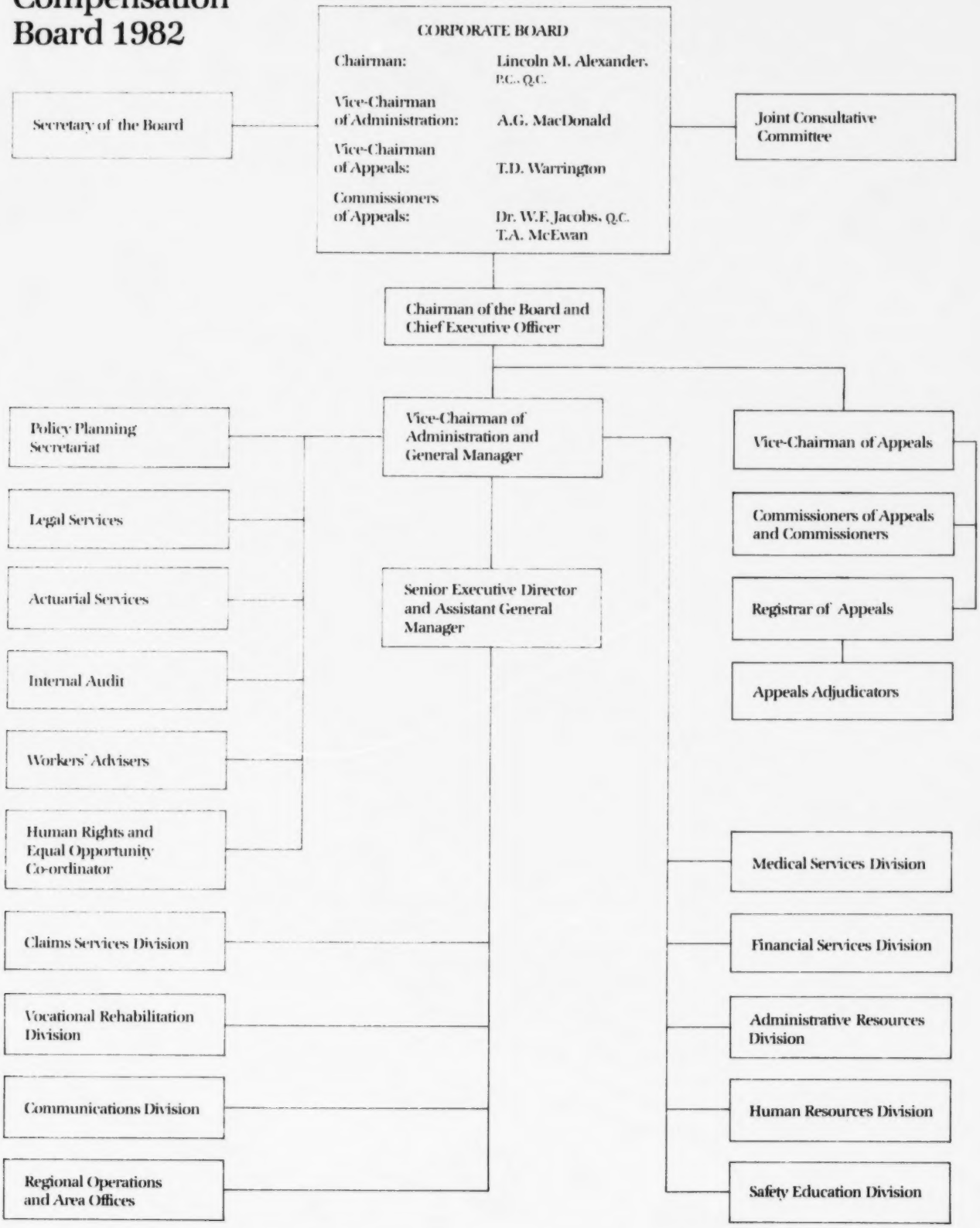
3. INVESTMENTS

	1982 ($000's)		1981 ($000's)	
	Cost	Market Value	Cost	Market Value
Bonds	$ 59,683	$ 54,752	$ 50,951	$36,887
Mortgages	15,814	15,814	13,837	13,837
Equities	26,140	35,781	26,770	33,974
	$101,637	$106,347	$ 91,558	$84,698
Short-term	18,170	18,170	13,536	13,536
	$119,807	$124,517	$105,094	$98,234

4. ACTUARIAL VALUATION
The most recent triennial actuarial valuation as at December 31, 1980 determined that the Fund was in a surplus position.

5. CHANGE OF NAME
During the year, by an Act of the Legislative Assembly of the Province of Ontario, the name of the Workmen's Compensation Board Superannuation Fund was changed to the Workers' Compensation Board Superannuation Fund.

Workers' Compensation Board 1982



POOR

QUALITY

ORIGINAL